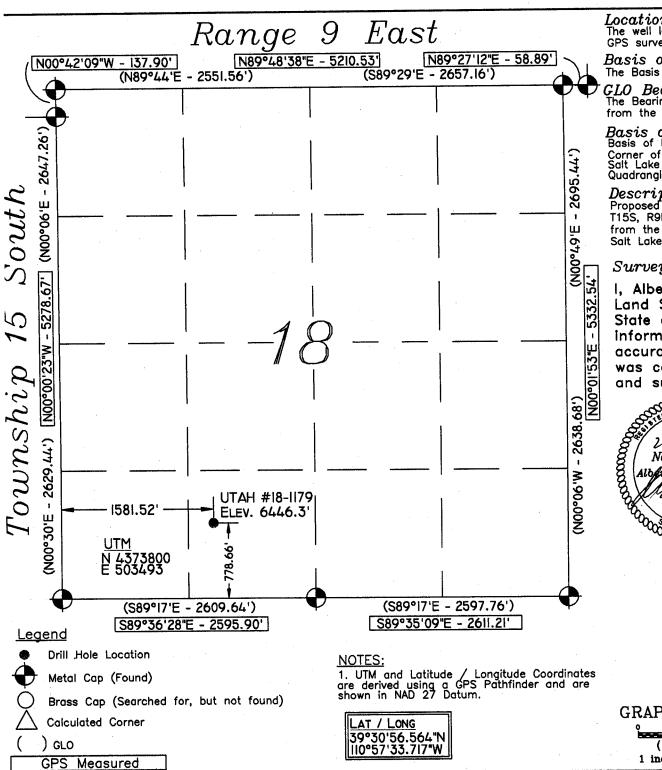
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	

		APPLICATIO	N FOR I	PERMIT TO	DRILL	5. MINERAL LEASE NO: 6. SURFACE: State
1A. TYPE OF WO	DRK:	DRILL 🔽 RE	ENTER 🗌	DEEPEN		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:
B. TYPE OF WE	ill: OIL	GAS 🗹 OTI	HER	SIN	GLE ZONE MULTIPLE ZON	8. UNIT OF CA AGREEMENT NAME: Drunkards Wash UTU67921X
2. NAME OF OPE						9. WELL NAME and NUMBER:
ConocoPhi 3. ADDRESS OF		-			PHONE NUMBER:	Utah 18-1179
P.O. Box 5	1810	_{CITY} Midland	STAT	E Tx ZIP 79	710 (432) 688-6943 3 9 . 5 1 5 6 0 /	Drunkards Wash
4. LOCATION OF	· ·	GES) 5	3498	κ .	39.515601	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
AT SURFACE:	779 FSL	& 1582 FWL 4	37378	34	-110.959306	SESW 18 15S 9E
AT PROPOSED	PRODUCING 2	ZONE:				
		RECTION FROM NEARES	TOWN OR POS	ST OFFICE:		12. COUNTY: 13. STATE: UTAH
		of Price,Utah	(FEET)	1 46 AUMOED OF	FACRES IN LEASE:	Carbon 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
1014'	J NEAREST PR	OPERTY OR LEASE LINE	(16. NUMBER OF	562.94	160
18. DISTANCE TO	O NEAREST WE	ELL (DRILLING, COMPLETE	ED, OR	19. PROPOSED	····	20. BOND DESCRIPTION:
APPLIED FOR 1450'	R) ON THIS LEA	SE (FEET)			3,504	Statewide
21. ELEVATIONS	(SHOW WHETI	HER DF, RT, GR, ETC.):			ATE DATE WORK WILL START:	23. ESTIMATED DURATION:
6446.3' G	L	···		6/1/2009) 	30 days
24.			PROPOS	ED CASING A	ND CEMENTING PROGRAM	
SIZE OF HOLE	CASING SIZ	E, GRADE, AND WEIGHT I	PER FOOT	SETTING DEPTH	CEMENT TYPE, QU	JANTITY, YIELD, AND SLURRY WEIGHT
15"	12 3/4	Conduct		40		
11	8 5/8	J55	24#	400	170 sxs G + 2% CaCl	
7 7/8	5 1/2	N80	17#	3,494	110 sxs50/50Poz+8% g	el+2%CaCl +10% extend 1/4ppsD29
					295 sxs G thixotropic	
	. 					
05	!			ATTA	CHMENTS	
25.	LOWING ARE	ATTACHED IN ACCORDAN	OE MATUTHE H		ONSERVATION GENERAL RULES:	
VERIFT THE FOL	LOWING ARE A	ATTACHED IN ACCORDAN	CE WITH ME O	TALLOIL AND GAS O	I -	
WELL PL	AT OR MAP PRI	EPARED BY LICENSED SU	IRVEYOR OR E	NGINEER	COMPLETE DRILLING PLAN	
EVIDENC	E OF DIVISION	OF WATER RIGHTS APPI	ROVAL FOR USE	OF WATER	FORM 5, IF OPERATOR IS PI	ERSON OR COMPANY OTHER THAN THE LEASE OWNER
		/ \			1	
NAME (PLEASE !	Donr	a Williams			TITLE Sr. Regulator	y Specialist
NAME (FEEAGE	1				DATE 3/19/2009	
SIGNATURE		tand			DATE	RETURN
(This space for Sta	te use only)			, P	opproved by the Utah Division of	RECEIVED MAR 2 3 2009
					, Gas and Mining	MAR 2 3 200a
API NUMBER ASS	SIGNED:	43.007.314	191	J	APPROVAL:	DIV. OF OIL, GAS & MINING
				Date:	011-15-29	JIL, GAS & MINING
(11/2001)					ons on Reverse(Side)	



Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:
The Basis of Bearing is GPS Measured.

GLO Bearing:

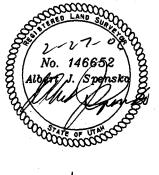
The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:
Basis of Elevation of 6847' being at the Northeast Section
Corner of Section 14, Township 15 South, Range 8 East,
Salt Lake Base and Meridian, as shown on the Pinnacle Peak
Quadrangle 7.5 minute series map.

Description of Location:
Proposed Drill Hole located in the SE/4 SW/4 of Section 18. T15S, R9E, S.L.B.&M., being 778.66' North and 1581.52' East from the Southwest Section Corner of Section 18, T15S, R9E, Salt Lake Base & Meridian.

Surveyor's Certificate:

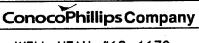
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.





TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230 Huntington, Utah 84528 Phone (435)687-5310 Fax (435)687-5311 E-Mail talen @ etv.net



WELL UTAH #18-1179 Section 18, T15S, R9E, S.L.B.&M.

Carbon County, Utah

4	N. BUTKOVICH	L.W.J./A.J.S.
PHIC SCALE 500' 1000' A-	Drawing No.	Date: 2/17/06
	A-7	Scale: 1" = 1000'
•	Sheet 1 of 4	2108 2108

EXHIBIT "D" DRILLING PROGRAM

Attached to Form 3
ConocoPhillips Company
<u>Utah 18-1179</u>
<u>SE/4, SW/4, Sec.18, T15S, R9E, SLB & M</u>
<u>779' FSL, 1582' FWL</u>
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 2998'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 3013' - 3154'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits.

All indications of usable water will be reported.

Surface casing will be tested to 500 psi and Production casing tested to 1500 psi with a minimum of 1 psi/ft of the last casing string depth

4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
14 3/4"	12 3/4"	40.5	H-40	ST&C	0-50'
11"	8 5/8"	24.0	J-55	ST&C	0-400'
7 7/8"	5 1/2"	17.0	N-80	LT&C	0-3494
7 7/8"	5 1/2"	17.0	N-80	LT&C	0-3

Cementing Program

The 8 5/8" surface casing will be set with approximately 170 sacks Class G or Type V cement with 2% $CaCl_2$ mixed at 15.6 ppg (yield =1.18 ft³/sx). The cement will be circulated back to surface with 100% excess.

The 5 $\frac{1}{2}$ " production casing will be set and cemented using a two stage cementing process. This entails setting casing to total TD and running a DV tool to approximately 300' of the top of the Ferron.

The 1st Stage of cement will then be pumped to approximately 50' from the DV tool. After cement is pumped, the cement cap will be removed and a wiper plug installed. The cement cap will then be screwed back on and a wiper plug will be displaced to TD. The cement cap will be removed and the DV tool bomb will be dropped followed by the 2nd Stage wiper plug. (This is done to open the DV tool and establish circulation.) Once circulation is established, circulation will continue at approximately 1 bpm for 4 hours while waiting on cement (WOC). WOC at a minimum of 4 hours before beginning 2nd stage cement job. After the 2nd Stage has been pumped, a top wiper plug will be dropped and displaced with water (or water spacer and mud). Shut in well and WOC.

The 5 ½" production casing will be set with approximately 110 sacks of Standard Cement, 10% Cal Seal 60 (accelerator), 1% Calcium Chloride (accelerator), ¼ lbm/sk Flocele (lost circulation additive) with a yield of 1.61 ft³/sx at 14.2 ppg; calculated with an excess of 35% for the 1st Stage. For the 2nd stage, approximately 295 sx of 50/50 POZ Premium cement, 8% Bentonite (light weight additive), 10% Cal Seal 60 (accelerator), ¼ lbm/sk Flocele (lost circulation additive) with a yield of 1.98 ft³/sx at 12.5 ppg; calculated with an excess of 30% for the 2nd Stage.

The above cement volumes are approximate and are calculated under the assumption that a gauge hole will be achieved. If the cement does not return to surface, a cement bond log will be run to determine the top of cement. In the case where the cement is below the surface casing shoe, the casing will be perforated and squeeze cemented to the surface. If the cement is above the surface casing shoe, cement will be one-inched to the surface.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-400 11" hole Drill with air, will mud-up if necessary.

400-TD 7 7/8" hole Drill with air, will mud-up if necessary.

400 psi @ 1400-1600 cfm

7. The Testing, Logging and Coring Programs are as followed

400-TD Gamma Ray, Neutron Porosity, CBL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is about 1537 psi max., however due to offset production pressures may be much lower. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around Sunt 1, 2009

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

SURFACE USE PLAN

Attached to Form 3
ConocoPhillips Company
<u>Utah 18-1179</u>
<u>SE/4, SW/4, Sec.18, T15S, R9E, SLB & M</u>
<u>779' FSL, 1582' FWL</u>
<u>Carbon County, Utah</u>

1. Existing Roads

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Approximately 300' of new access is required (Refer to Drawing L-1)

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 7%
- c. Turnouts: None
- d. Drainage design: 1 culvert may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and power lines will follow the proposed access road.

3. Location of Existing Wells

a. Refer to Drawing L-1.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Drawing A-2 and L-1.
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

11. Surface Ownership:

a. The wellsite and access road will be constructed on lands owned by the School and Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately <u>2.5 miles southeast</u>.
- b. Nearest live water is the Miller Creek 6,500' South.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:l.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. Company Representative

Jean Semborski
Construction/Asset Integrity Supervisor
ConocoPhillips Company
P.O. Box 851
6825 South 5300 West
Price, Utah 84501
(435) 613-9777
(435) 820-9807

Excavation Contractor

Larry Jensen, Vice President Nelco Contractors Inc. (435) 637-3495 (435) 636-5268

Mail Approved A.P.D. To:

Donna Williams Sr. Regulatory Analyst ConocoPhillips Company P.O. Box 51810 Midland, Texas 79710

14. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by ConocoPhillips Company and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

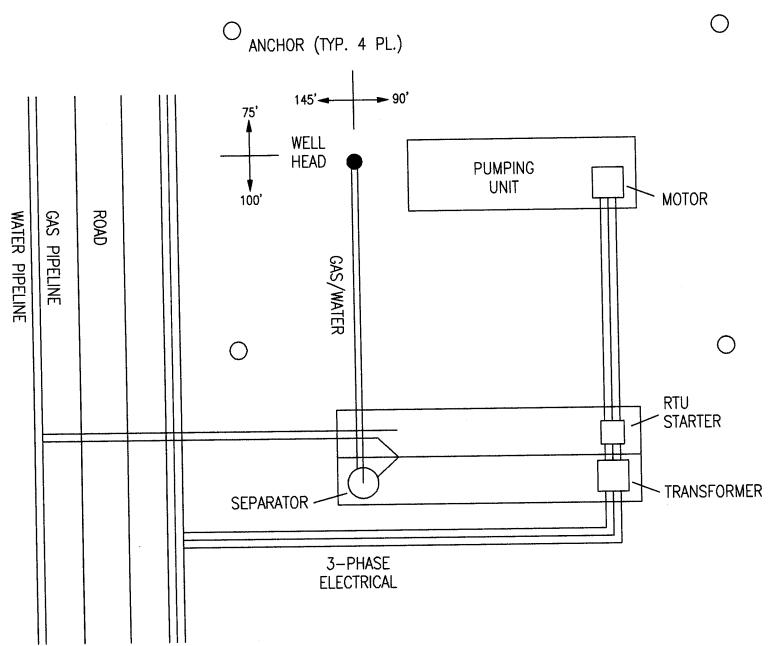
Date

Donna Williams

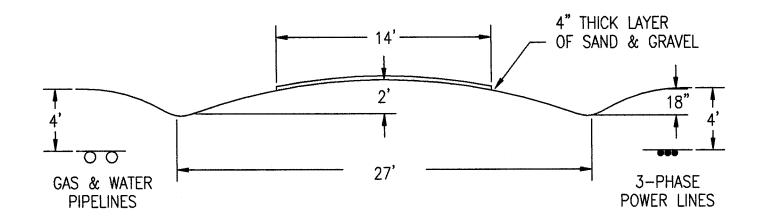
Sr. Regulatory Analyst ConocoPhillips Company

CONOCOPHILLIPS COMPANY

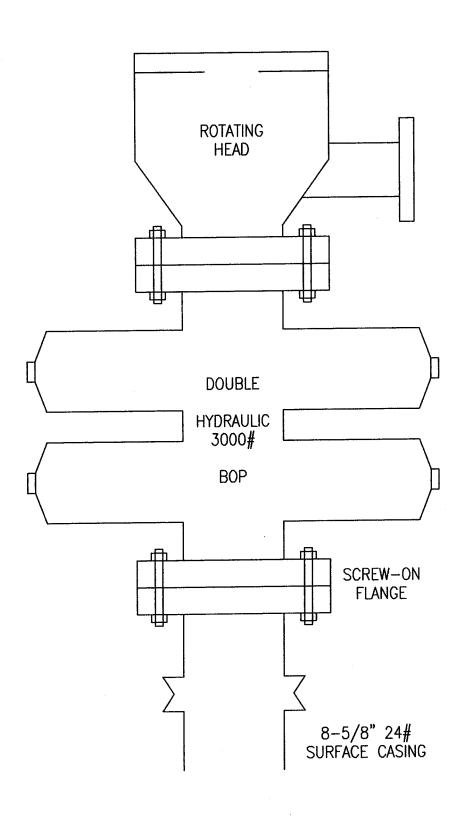
WELL SITE LAYOUT (235' x 175')



TYPICAL ROAD CROSS-SECTION CONOCOPHILLIPS COMPANY



<u>DIVERTER HEAD</u> <u>CONOCOPHILLIPS COMPANY</u>



CO OCOPHILLIPS COMPA'Y

2" 5M FLANGED CHOKE
2" 5M GATE VALVE (FLANGED)
2" 5M STUDDED CROSS
2" 5M GATE VALVE (FLANGED)

2" 5M FLANGED CHÔKE

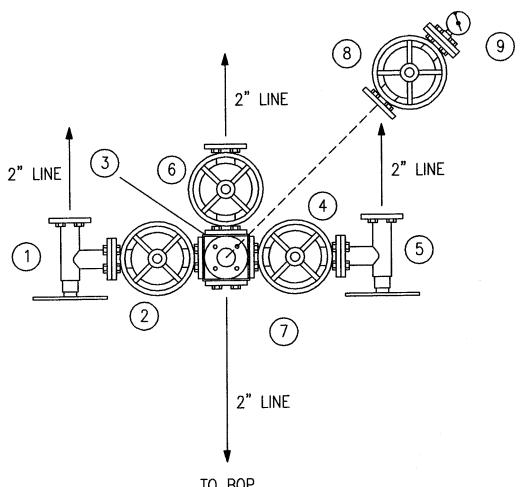
5M GATE VALVE (FLANGED)

LINE

2" 5M GATE VALVE (FLANGED)

3000# GAUGE

NOTE: NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP AND A NEW 2" BALL VALVE FULL OPEN 5000 PSI

MANIFOLD

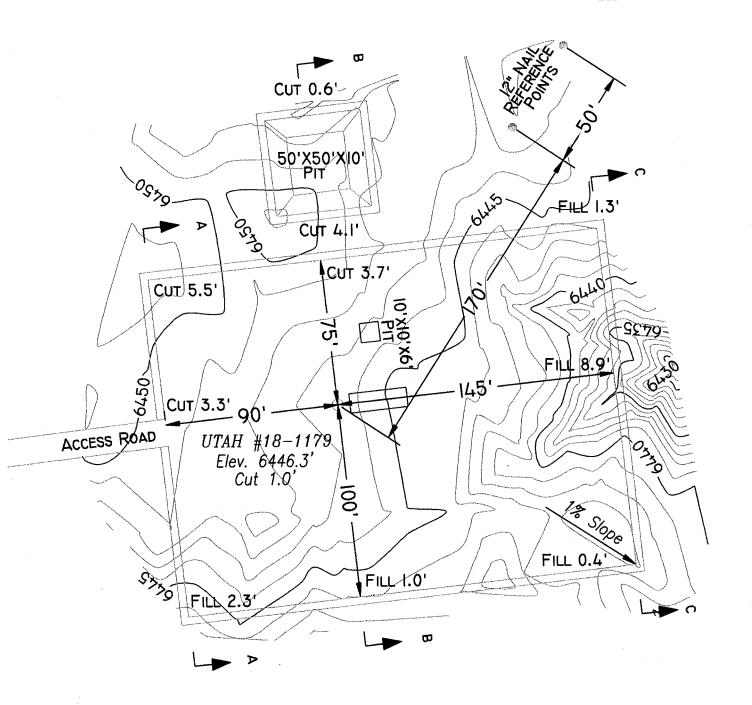
FORM 4A

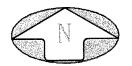
STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Bond No. 6196922 DIVIS	SION OF OIL, GAS AND MINING
	SURETY BOND
KNOW ALL MEN BY THESE PRESENTS:	
That we (operator name)CONOCOPHILLIPS_C and	OMPANY as Principal,
EIGHTY THOUSAND AND NO/100****** lawful money of the United States, payable to the Dire	held and firmly bound unto the State of Utah in the sum of: ***********************************
repairing, operating, and plugging and apartuoritien; i	FHAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening, of a well or wells and restoring the well site or sites in the State of Utah for the purposes of lof fluids in connection therewith for the following described land or well:
X Blanket Bond: To cover all we	lls drilled in the State of Utah
Individual Bond: Well No:	
	Township: Range:
County:	, Utah
and well site restoration, tren this obligation is void; c	
(Corporate or Notary Seal here)	CONOCOPHILLES COMPANY
Ε	Principal (company name) By James Huckes Corporate Insurance Name (print) Title Manager
Attestee: 6 7 Shad Date: 12 300	2 Samuer 7. Hugher = Signature
IN TESTIMONY WHEREOF, said Surety has caused to be affixed this	this instrument to be signed by its duly authorized officers and its corporate or notary seal
1ST day of JANUARY	, 2003
	SAFECO ENSURANCE COMPANY OF AMERICA Surety Company (Attach Power of Attorney)
(Corporate or Notary Seal here)	Name (print) Title TWAMMARIE FOSTIER - ATTORNEY-IN-PACT Title
Carolyn E. Wheeler Date: 12/20/200:	Signature C/O: MARSH: USA-ENC Surety Mailing Address
CAROLYN E. WHEELER NOTARY PUBLIC MY COMMISSION EXPIRES: NOVEMBER 1, 200	P.O. BOX BGOLZ KNOXVIII PRO PROPERTY AND PRO

(5/2002)

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6446.3' ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6445.3'







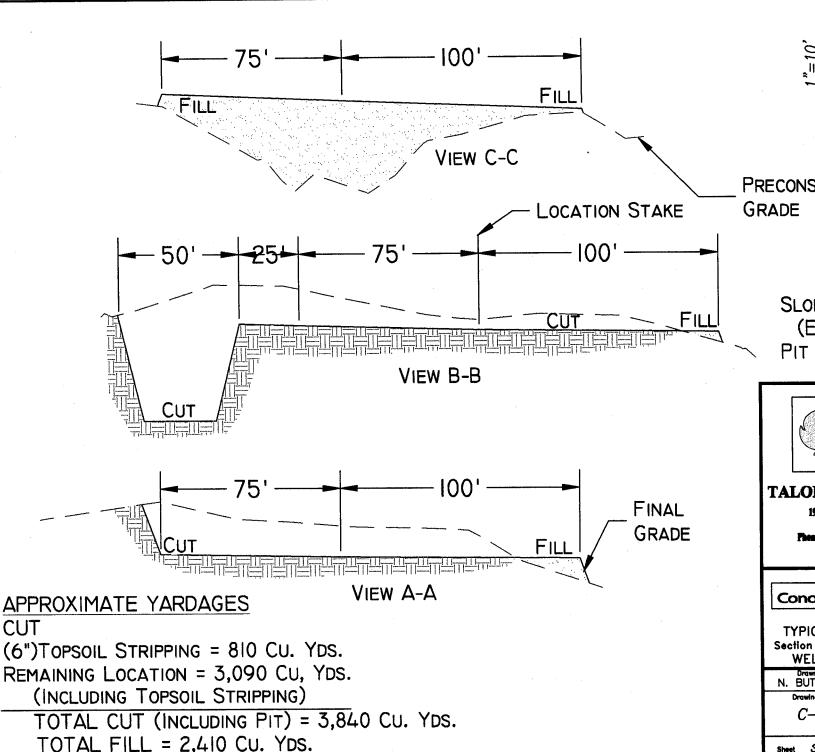
TALON RESOURCES, INC.

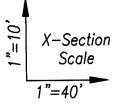
195 North 100 West P.O. Box 1230 Hundington, Utah 84528 Phone (435)667-5310 Fax (435)667-5311 E-Mail talencoty.not

ConocoPhillips Company

LOCATION LAYOUT Section 18, T15S, R9E, S.L.B.&M. WELL UTAH #18-1179

N. BUTKOVICH	Checked By: L.W.J.
Drawing No.	Date: 2/21/06
A-2	1" = 50'
Sheet 2 of 4	Job No. 2108





PRECONSTRUCTION GRADE

SLOPE = 1 1/2 : 1 (EXCEPT PIT) PIT SLOPE = 1 : 1



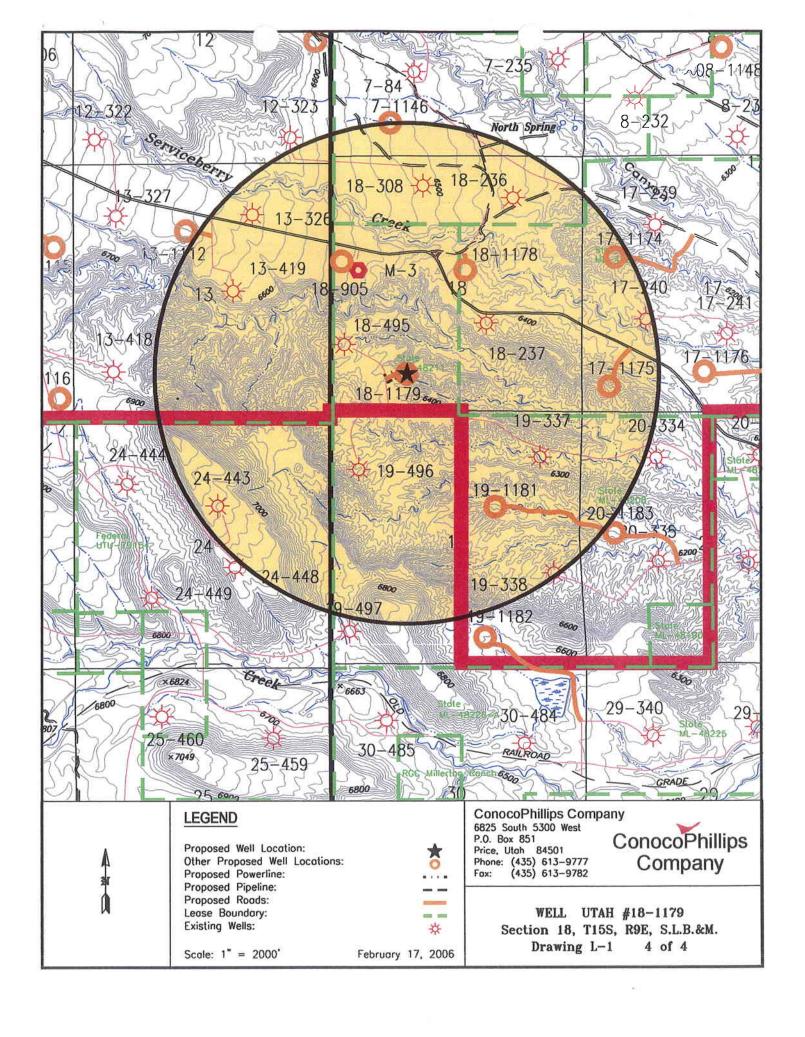
TALON RESOURCES, INC.

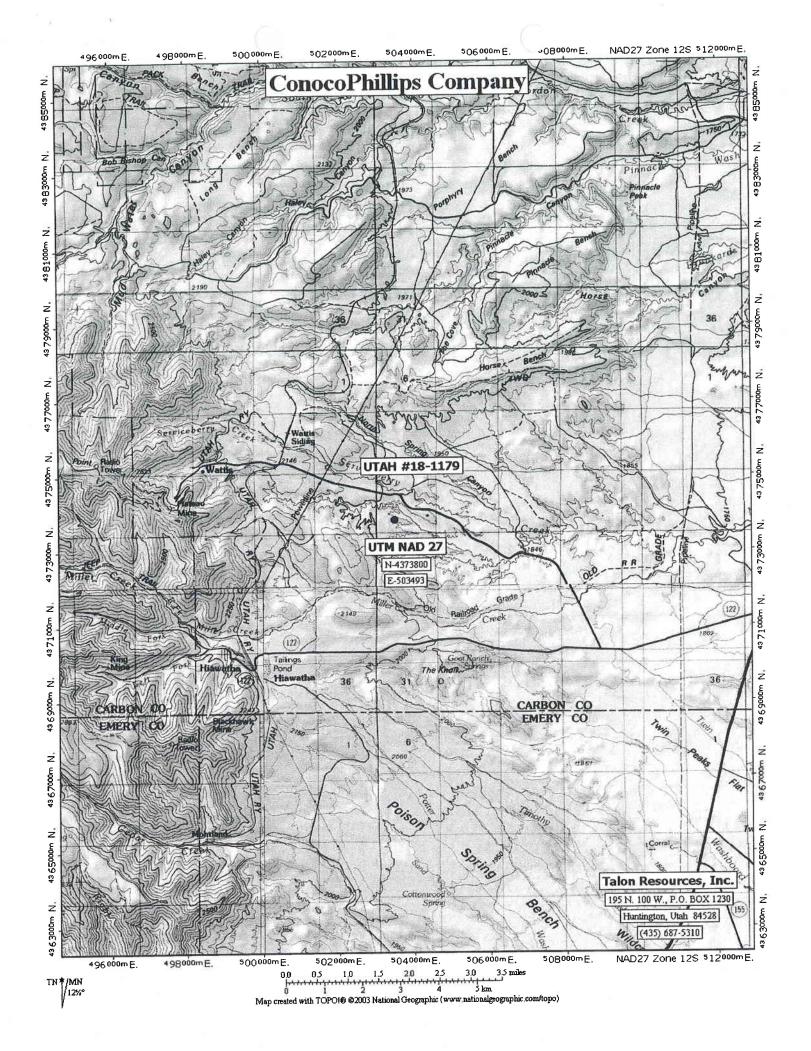
195 North 100 West P.O. Bex 1230 Huntington, Utah 24528 Phone (435)687-5310 Fax (435)687-5311 E-Mell (allowesty.net

Conoco Phillips Company

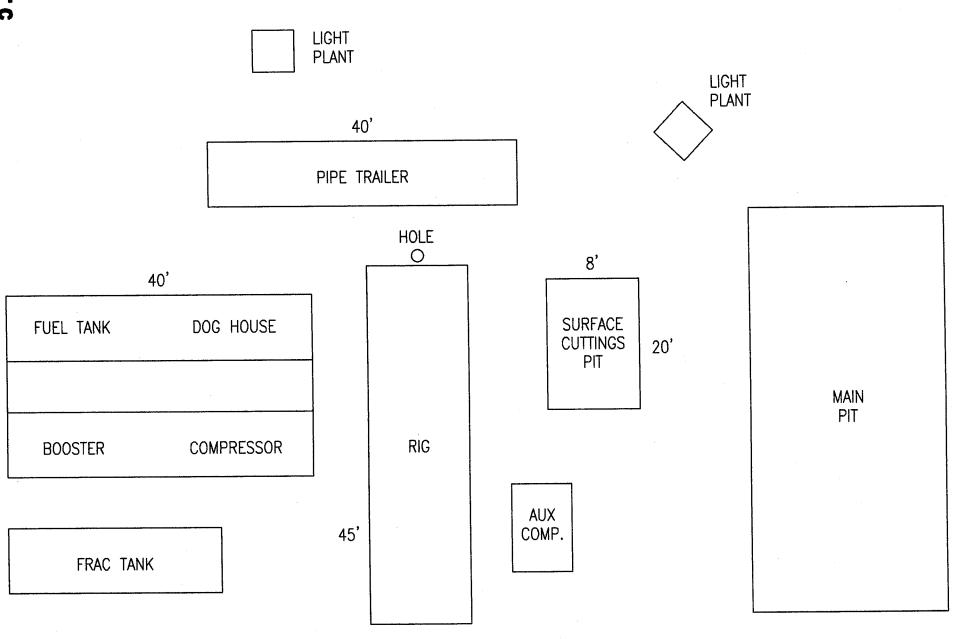
TYPICAL CROSS SECTION
Section 18, T15S, R9E, S.L.B.&M.
WELL UTAH #18-1179

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No.	Date: 2/21/06
C-1	Scale: 1" = 40'
Sheet 3 of 4	Job No. 2108



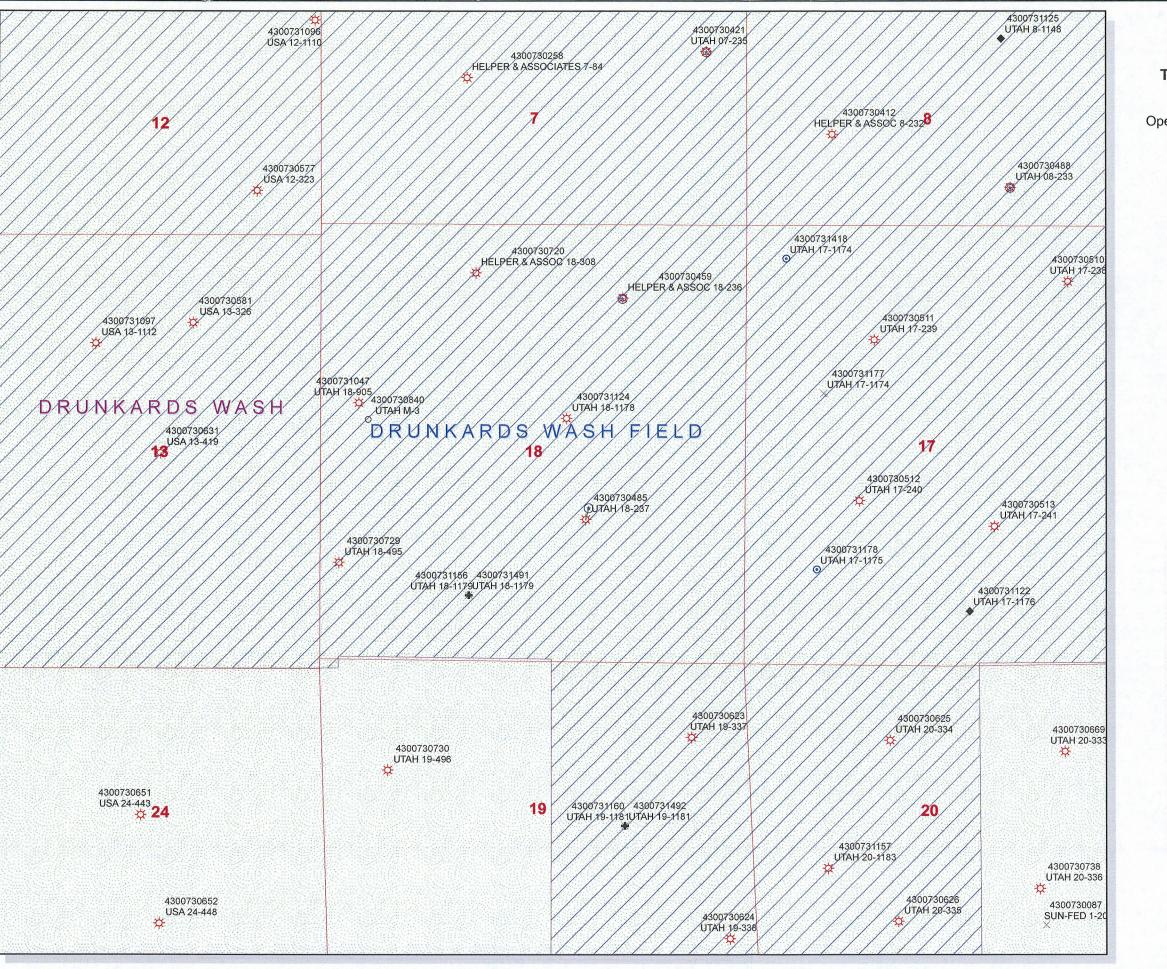


APPROXIMATE LAYOUT OF RIG & EQUIPMENT



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVE	ED: 03/23/2009		API NO. ASSIG	NED: 43-00	7-31491
OPERATOR:	UTAH 18-1179 CONOCOPHILLIPS COMPANY (N2335) DONNA WILLIAMS		PHONE NUMBER:	435-688-694	13
PROPOSED LO			INSPECT LOCATN	BY: /	/ .
	18 150S 090E 0779 FSL 1582 FWL		Tech Review	Initials	Date
	0779 FSL 1582 FWL		Engineering	DKD	4/15/09
COUNTY:			Geology		7.507
	39.51560 LONGITUDE: -110.95931 EASTINGS: 503498 NORTHINGS: 43737	788	Surface		
	ME: DRUNKARDS WASH (48				
LEASE NUMBE	: 3 - State ER: ML 48211 NER: 3 - State	I OCAMI	PROPOSED FORMA' COALBED METHAN		
	ND/OR REVIEWED:		ON AND SITING:		
	: Fed[] Ind[] Sta[] Fee[]		R649-2-3. DRUNKARDS WASH	OR	
(No. り Potas	· <u>6196922</u>) sh (Y/N)	F	R649-3-2. Gener	cal	
Oil S	Shale 190-5 (B) or 190-3 or 190-13		Siting: 460 From Q		Between Wells
Water (No.	r Permit .MUNICIPAL)		R649-3-3. Excep	otion	
N RDCC	Review (Y/N)		Orilling Unit Board Cause No:	242	9
(Da	te:) Surf Agreement (Y/N)		Board Cause No: Eff Date:	7-13-199	19
	nt to Commingle (Y/N)	_	Siting: 460.6r	\mathcal{O}	
			R649-3-11. Dire	ectional Dia	L ± ±
COMMENT'S.	Hed G	List (D	icd 4-12-06)		
					•
STIPULATIO	NS: 1- THE OPER	MOR	SHALL CO	mply u	UTH_
	THE CONDITION	5 OF	APPROUNCE	FROM T	
	ORIGINAL DWSIT	E R	EVIEW,		



API Number: 4300731491 Well Name: UTAH 18-1179

Township 15.0 S Range 09.0 E Section 18

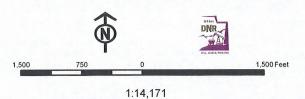
Meridian: SLBM

Operator: CONOCOPHILLIPS COMPANY

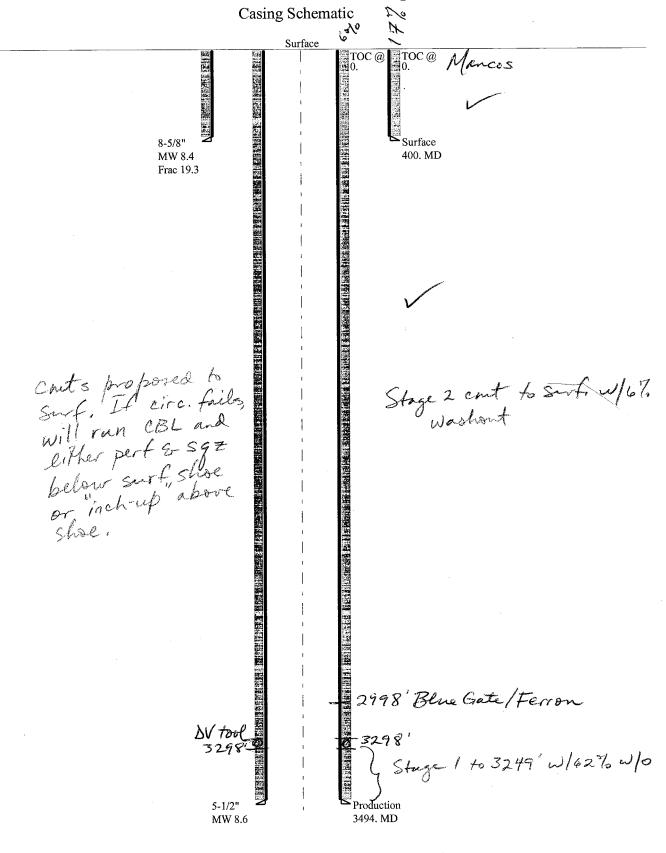
Map Prepared: Map Produced by Diana Mason







43007314910000 ConocoPhillips Utah 18-1179



Well name:

43007314910000 ConocoPhillips Utah 18-1179

Minimum design factors:

Operator:

PhillipsConoco Company

String type:

Location:

Surface

Project ID:

43-007-31156

Carbon Co.

Design parameters:

Collapse

Mud weight:

8.400 ppg

Design is based on evacuated pipe.

Collapse: Design factor

1.125

Environment:

H2S considered? Surface temperature: No 65 °F

Bottom hole temperature:

71 °F

Temperature gradient:

1.40 °F/100ft

Minimum section length:

185 ft

Burst: Design factor

1.00

350 ft

Cement top:

Surface

Burst

Max anticipated surface

No backup mud specified.

pressure:

352 psi

Internal gradient: Calculated BHP

0.120 psi/ft 400 psi

Tension:

8 Round STC:

1.80 (J) 8 Round LTC: 1.80 (J) Buttress: 1.60 (J)

Premium:

Neutral point:

1.50 (J) Body yield: 1.50 (B)

Tension is based on air weight.

Non-directional string.

Re subsequent strings:

Next setting depth: Next mud weight:

3,494 ft 8.600 ppg

Next setting BHP: Fracture mud wt:

1,561 psi 19.250 ppg 400 ft

Fracture depth: Injection pressure:

400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	400	8.625	24.00	J-55	ST&C	400	400	7.972	143
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	175	1370	7.849	400	2950	7.37	10	244	25.42 J

Prepared

by:

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801.538.5357 FAX: 801.359.3940

Date: March 25,2009 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension. Collapse is based on a vertical depth of 400 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

Well name:

43007314910000 ConocoPhillips Utah 18-1179

Operator:

PhillipsConoco Company

String type:

Production

Project ID:

43-007-31156

Location:

Carbon Co.

Minimum design factors:

Environment:

Collapse

Mud weight: Design is based on evacuated pipe.

Design parameters:

Collapse: 8.600 ppg Design factor

> **Burst:** Design factor

1.125

1.00

1.50 (B)

H2S considered?

No

Surface temperature: Bottom hole temperature:

65 °F 114 °F

Temperature gradient:

1.40 °F/100ft

Minimum section length:

Cement top:

368 ft

Surface

Burst

Max anticipated surface

No backup mud specified.

pressure: Internal gradient: 1,142 psi

Calculated BHP

0.120 psi/ft 1,561 psi

Buttress: Premium:

Body yield:

Tension: 8 Round STC: 1.80 (J) 1.80 (J) 8 Round LTC:

1.60 (J) 1.50 (J)

Tension is based on air weight. Neutral point: 3,038 ft Non-directional string.

Run	Segment		Nominal		End	True Vert	Measured	Drift	Internal
Seq	Length (ft)	Size (in)	Weight (lbs/ft)	Grade	Finish	Depth (ft)	Depth (ft)	Diameter (in)	Capacity (ft³)
1	3494	5.5	17.00	N-80	LT&C	3494	3494	4.767	456.1
Run Seg	Collapse Load	Collapse Strength	Collapse Design	Burst Load	Burst Strength	Burst Design	Tension Load	Tension Strength	Tension Design
Jeq	(psi)	(psi)	Factor	(psi)	(psi)	Factor	(Kips)	(Kips)	Factor
1	1561	6290	4.030	1561	7740	4.96	59	348	5.86 J

Prepared

Helen Sadik-Macdonald

by: Div of Oil, Gas & Mining

Phone: 801.538.5357

FAX: 801.359.3940

Date: March 25,2009 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 3494 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

BOPE REVIEW

ConocoPhillips Utah 18-1179 API 43-007-31491-0000

INPUT						
Well Name	ConocoPhillips Uta	ConocoPhillips Utah 18-1179 API 43-007-31491-0000				
	String 1	String 2				
Casing Size (")	8 5/8	5 1/2				
Setting Depth (TVD)	400	3494	,			
Previous Shoe Setting Depth (TVD)	40.5	400				
Max Mud Weight (ppg)	8.4	8.6	اسما			
BOPE Proposed (psi)	. 0	3000				
Casing Internal Yield (psi)	2950	7740				
Operators Max Anticipated Pressure (psi)	1537	8.5	ppg			

Calculations	String 1	8 5/8 "		
Max BHP [psi]	.052*Setting Depth*MW =	175		
		E	OPE Adequa	ate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	127	NO	Air drill
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	87	NO	
		*	Can Full Exp	ected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth) =	96	NO	Reasonable Destin
Required Casing/BOPE Test	Pressure	400 p	si	
*Max Pressure Allowed @ P	revious Casing Shoe =	41 p		*Assumes 1psi/ft frac gradient

Calculations	String 2	5 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	1563	
		BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	1143 YES	
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	794 YES Air drill w/rotating head	
		*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth) =	882 - NO O.R.	
Required Casing/BOPE Test	Pressure	3000 psi	
*Max Pressure Allowed @ Pr	revious Casing Shoe =	*Assumes 1psi/ft frac gradient	

From:

Ed Bonner

To:

Mason, Diana 3/30/2009 7:24 AM

Date: Subject:

Re: Fwd: ConocoPhillips APDs

CC:

Hill, Brad Thats fine. Weve got no problem here

>>> Diana Mason 3/25/2009 6:42 AM >>>

Will these need a wells clearance?

ConocoPhillips	43-007-31486	Utah 31-1068
ConocoPhillips	43-007-31487	Utah 33-1074
ConocoPhillips	43-007-31488	Utah 11-1159
ConocoPhillips	43-007-31489	Utah 11-1157
ConocoPhillips	43-007-31490	Utah 13-1169
ConocoPhillips	43-007-31491	Utah 18-1179
ConocoPhillips	43-007-31492	Utah 19-1181
ConocoPhillips	43-007-31493	Utah 26-1197
ConocoPhillips	43-007-31494	Utah 6-1228
ConocoPhillips	43-007-31495	Utah 02-1264

>>> Brad Hill 3/24/2009 5:22 PM >>>

I guess we'll skip the onsites on these.

>>> Mark Jones 3/24/2009 4:55 PM >>>

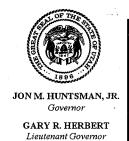
I've looked these over. As you mentioned they are re-submittals. The locations are already built from the previous permit we issued. I've looked at the paperwork and no changes seem to have been made to the location layouts. I see no reason to do onsites on these. Most of these I have been to since the first of the year doing routine inspections for anyway and there have been no issues.

Mark L. Jones Utah DOGM

>>> Brad Hill 3/23/2009 3:08 PM >>>

Mark,

Would you take a look at these and give me your opinion on whether or not we should do a new onsite. These are all resubmittals.



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

April 15, 2009

ConocoPhillips Company P O Box 51810 Midland, TX 79710

Re:

Utah 18-1179 Well, 779' FSL, 1582' FWL, SE SW, Sec. 18, T. 15 South, R. 9 East,

Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31491.

Sincerely,

Gil Hunt

Associate Director

pab

Enclosures

cc:

Carbon County Assessor

SITLA

Bureau of Land Management, Price Field Office



Operator:	ConocoPhillips Company	
Well Name & Number	Utah 18-1179	···
API Number:	43-007-31491	
Lease:	ML 48211	

Location: <u>SE SW</u>

Sec. 18

T. 15 South

R. 9 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

• Dan Jarvis at:

(801) 538-5338 office

(801) 942-0871 home

• Carol Daniels at:

(801) 538-5284 office

• Dustin Doucet at:

(801) 538-5281 office

(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Page 2 43-007-31491 April 15, 2009

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. The Operator shall comply with the Conditions of Approval from the original on-site review.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9		
		5.LEASE DESIGNATION AND SERIAL NUMBER ML 48211		
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH	
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: UTAH 18-1179	
2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY			9. API NUMBER: 43007314910000	
3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX,	79710 1810 432 688-692	PHONE NUMBER: 7 Ext	9. FIELD and POOL or WILDCAT: DRUNKARDS WASH	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0779 FSL 1582 FWL			CARBON	
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SESW Section: 18	P, RANGE, MERIDIAN: Township: 15.0S Range: 09.0E Meridian: S		STATE: UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
A NOTTO OF ANTENIA	☐ ACIDIZE	ALTER CASING	CASING REPAIR	
NOTICE OF INTENT Approximate date work will start: 4/12/2010	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME	
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE	
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐ OPERATOR CHANGE	FRACTURE TREAT PLUG AND ABANDON	□ NEW CONSTRUCTION □ PLUG BACK	
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION	
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON	
	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL	
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION	
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:	
12. DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all perti	nent details including dates, depths, v	olumes, etc.	
	any respectfully request to ext	end the Approved Permit		
	to Drill for an additional yea	ır.	Approved by the Utah Division of	
			Oil, Gas and Mining	
		D	ate: May 03, 2010	
		В	y: Ballylll	
			7	
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE		
Donna Williams	432 688-6943			
SIGNATURE N/A		DATE 4/29/2010		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007314910000

API: 43007314910000 Well Name: UTAH 18-1179

Location: 0779 FSL 1582 FWL QTR SESW SEC 18 TWNP 150S RNG 090E MER S

Company Permit Issued to: CONOCOPHILLIPS COMPANY

Date Original Permit Issued: 4/15/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that requ

uire revi	sion. Following is a ched	klist of some if	tems related to th	e application	, which should be	verified.
	ated on private land, has ed? 📗 Yes 📵 No	the ownership	p changed, if so, h	nas the surfac	ce agreement beer	1
	any wells been drilled in requirements for this lo			ll which wou	d affect the spaci	ng or
	nere been any unit or ot s proposed well? 🧻 Yo		s put in place tha	t could affect	the permitting or	operatio
	there been any changes the proposed location?			vnership, or ı	rightof- way, whic	h could
• Has th	ne approved source of w	ater for drilling	g changed? 🔘 🕦	res 📵 No		
	there been any physical je in plans from what wa					ire a
• Is bor	nding still in place, whic	າ covers this p	roposed well? 📵		Approved by to Utah Division Oil, Gas and Mi	of
nature:	Donna Williams	Date:	4/29/2010			
Title:	Sr. Regulatory Specialist	Representing:	CONOCOPHILLIPS	COMPANPat	e: May 03, 201	0
		-			Milano	

Sig

By: Dollar

Sundry Number: 14275 API Well Number: 43007314910000

	STATE OF UTAH		FORM 9	
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: ML 48211	
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
	sals to drill new wells, significantly deepen ougged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH	
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: UTAH 18-1179	
2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY			9. API NUMBER: 43007314910000	
3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX,		E NUMBER: 3 Ext	9. FIELD and POOL or WILDCAT: DRUNKARDS WASH	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0779 FSL 1582 FWL			COUNTY: CARBON	
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SESW Section: 18	IP, RANGE, MERIDIAN: Township: 15.0S Range: 09.0E Meridian: S		STATE: UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICATI	E NATURE OF NOTICE, REPORT	, OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
✓ NOTICE OF INTENT	ACIDIZE	ALTER CASING	CASING REPAIR	
Approximate date work will start: 4/11/2011	☐ CHANGE TO PREVIOUS PLANS ☐ CHANGE WELL STATUS	☐ CHANGE TUBING ☐ COMMINGLE PRODUCING FORMATIONS	☐ CHANGE WELL NAME ☐ CONVERT WELL TYPE	
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION	
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK	
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION	
Date of Spud:	REPERFORATE CURRENT FORMATION TUBING REPAIR	☐ SIDETRACK TO REPAIR WELL ☐ VENT OR FLARE	☐ TEMPORARY ABANDON ☐ WATER DISPOSAL	
☐ DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION	
Report Date:		OTHER	OTHER:	
	DMPLETED OPERATIONS. Clearly show all perto Dany respectfully request to ren One additional year.	new the drilling permit fo		
NAME (PLEASE PRINT) Donna Williams	PHONE NUMBER 432 688-6943	TITLE Sr. Regulatory Specialist		
SIGNATURE	7J2 000 CPTO	DATE		
N/A		4/11/2011		

Sundry Number: 14275 API Well Number: 43007314910000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007314910000

API: 43007314910000 **Well Name:** UTAH 18-1179

Location: 0779 FSL 1582 FWL QTR SESW SEC 18 TWNP 150S RNG 090E MER S

Company Permit Issued to: CONOCOPHILLIPS COMPANY

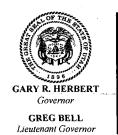
Date Original Permit Issued: 4/15/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

 If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No

Signature: Donna Williams Date: 4/11/2011

Title: Sr. Regulatory Specialist Representing: CONOCOPHILLIPS COMPANY



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 14, 2012

ConocoPhillips Company P.O. Box 51810 Midland, TX 79710-1810

Re:

APD Rescinded - UTAH 18-1179, Sec. 18, T.15S, R.9E,

Carbon County, Utah API No. 43-007-31491

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 15, 2009. On May 3, 2010 and April 14, 2011 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 14, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc:

Well File

SITLA, Ed Bonner



Sundry Number: 45532 API Well Number: 43007314910000

	STATE OF UTAH		FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: ML 48211
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly reenter plugged wells, or to drill horizo n for such proposals.		7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: UTAH 18-1179
2. NAME OF OPERATOR: CONOCOPHILLIPS COMPAN	IY		9. API NUMBER: 43007314910000
3. ADDRESS OF OPERATOR: P.O. Box 51810, Midland,	TX, 79710 1810 432 (PHONE NUMBER: 688-6943 Ext	9. FIELD and POOL or WILDCAT: DRUNKARDS WASH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0779 FSL 1582 FWL			COUNTY: CARBON
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 18 Township: 15.0S Range: 09.0E Merid	ian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start:	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
12/3/2013	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	✓ RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:		SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	REPERFORATE CURRENT FORMATION		
DRILLING REPORT	TUBING REPAIR	☐ VENT OR FLARE ☐	☐ WATER DISPOSAL
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
The above expired	completed operations. Clearly show a permitted/constructed locat I reseeded as of December 3	ion has been reclaimed	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 09, 2014
NAME (PLEASE PRINT) Donna Williams	PHONE NUMB 432 688-6943	ER TITLE Sr. Regulatory Specialist	
SIGNATURE	102 000 0040	DATE	
N/A		12/3/2013	